

INSURANCE

Irish Life pays out €300m due to cancer spike

Insurer reports 11pc rise in cancer claims despite smoking drop-off, writes **Michael Cogley**

INSURANCE company Irish Life paid out almost €300m in life insurance, illness, and injury claims to more than 6,900 people last year, according to its annual report.

Cancer was cited as the top cause for claims made, despite Ireland recording significantly lower rates of smoking than it did in previous years. Cancer claims were up 11pc in 2018.

Irish Life paid €167.3m in 2,214 life insurance claims, a further €64m in specified illness cover claims, and another €62.1m in income protection claims.

The average payment for life insurance was €75,556 and €56,787 for illness claims.

On average €17,312 was paid out in income protection cases.

Irish Life's head of underwriting, Martin Duffy, claimed that people in Ireland were predominantly under-insured and said cancer remains Ireland's number one killer.

"About 50pc of our death claims will be paid for some form of cancers and about two thirds of our illness covers will be because of cancers," he said.

"Particularly smoking, the smoking rates in Ireland are going down but of course you have the back book with all the existing smoking risks in it. I think the population is getting older and cancer is relating to age as well."

Duffy also said Ireland's screening programmes have helped lead to earlier diagnoses, driving up cancer-related claims.

The company's underwriting chief also pointed to a drastic diversification of its customer base, driven in part by the country's strong economic performance.

"About 20pc of our new customers would have been born outside of Ireland or the UK. It reflects a strong economy, people coming to work in Ireland. It reflects modern Ireland."

The company's largest individual life insurance claim was €1m, which was paid to the family of a person who died of cancer in their early 50s. Irish Life also paid out over

€370,000 to the family of a person in their 40s who died of a sudden stroke just months after starting their policy.

Duffy said that the company's customer base has broadly returned to where it was before the economic crash but that affordability remains an issue.

"We could see in the downturn definitely people were under pressure and people may have reached for illness cover to cut," he said.

"It's not like a Sky Sports subscription that you can stop lightly. I would encourage customers to be very careful around doing so and to take advice."

"I think people who came to Ireland 10 years ago probably did so on a more transient basis whereas now we're seeing a lot more coming to Ireland to live here and set up roots here. We see that every day with mortgages."

Last year, Irish Life paid out 2.5 times more "living benefit" claims than death claims. Living benefit covers a lump sum payment for illnesses and regular payments for people who can't work due to an accident or illness.

The company's own research found that half of Irish people had no life or illness cover and that a fifth had some form of illness protection. Irish Life said that one in eight people had income protection and that a third were completely unaware that it exists.

Irish Life's claim book showed sizeable gender variations also with men accounting for 61pc of all life insurance claims.

Heart-related conditions were also considered a main cause of death with men 3.5 times more likely to die from a heart-related condition than women.



Half of death claims are cancer-related says **Martin Duffy** from Irish Life